

The Currency Reform and Financial Markets Access Act of 2007

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The Dodd-Shelby legislation would take significant new action to recognize and remedy currency manipulation by China and other countries, which has been harming the American economy, hurting our manufacturing base and driving record U.S. trade deficits. The bill also promotes Treasury's role in enhancing the competitiveness of U.S. financial services firms.

Strengthens Treasury's ability to find currency manipulation:

- Strengthens the definition of currency manipulation to identify countries that have both a material global current account surplus and a significant bilateral trade surplus with the United States as currency manipulators, without regard to intent.

Requires Treasury to address and remedy currency manipulation:

- Requires the Treasury Department to submit a detailed plan of action to the Congress within 30 days of a finding by Treasury of manipulation. The plan of action shall set specific timeframes and benchmarks, with the goal of remedying the manipulation.
- Requires Treasury to engage in bilateral and multilateral negotiations with countries that manipulate their currency. The Treasury must immediately seek IMF consultations when manipulation is found and requires Treasury to use its voice and vote at the IMF to that end.
- Provides Treasury the authority to file a WTO Article XV case to remedy currency manipulation if the goals and benchmarks are not met within 9 months.

Authorizes a Congressional disapproval process:

- Creates a process by which Congress, led by either the Senate Banking or House Financial Services Committee, can originate a joint resolution of disapproval when Treasury fails to cite manipulation. Provides for an expedited process for such a motion through the floors of both chambers.

Promotes market access for U.S. financial services firms:

- Requires Treasury to annually monitor and report to the Senate Banking Committee and the House Financial Services Committee on market access barriers for U.S. financial services firms, to identify challenges, and to develop plans to address those barriers.
- Requires the Treasury's initial report to include the status of the US-China Strategic Economic Dialogue (SED) as it relates to financial services firms. This would become the only congressionally required report on the progress of the SED.